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FROM AMBASSADOR GARZA

E.O. 12958: N/A

TAGS: PGOV PREL KJUS KCRM SNAR OVIP MUKASEY MICHAEL MX SUBJECT: SCENESETTER FOR THE VISIT OF ATTORNEY GENERAL MICHAEL B. MUKASEY TO MEXICO, JANUARY 15-16, 2008

11. Welcome to Mexico City. Mexico is key to USG success in combating the trafficking of drugs, persons, arms and precursors, terrorism, and other transnational threats. Since entering office last December, Felipe Calderon's government has moved with unprecedented speed to improve public security.

Strengthening Law Enforcement

- 12. Specific measures include: launching aggressive anti-drug operations in ten states; raising pay for the military; replacing numerous high-ranking federal police officers in an anti-corruption campaign; launching a billion dollar project to create real-time interconnectivity between all police and prosecutors, as well as a unified national crime database; and, proposing congressional bills to unify federal police forces and reform the judicial system.
- ¶3. The GOM has greatly strengthened law enforcement cooperation with the USG, which along with a more flexible attitude by the courts has allowed for the extradition of a record 83 criminals to the U.S. in 2007, exceeding 2006's record level. The GOM is now extraditing cartel kingpins of significance and has seized record hauls of cocaine, methamphetamine precursors, and bulk cash and other assets.
- 14. The ongoing security campaign has reduced the broad geographic range and legal impunity that the cartels have traditionally enjoyed in Mexico, although progress is tenuous and uneven. Addressing personal security challenges ranks regularly as the number one priority in public opinion polls. Calderon has accomplished more in his first year than almost any other recent Mexican president in countering unlawfulness and murder.

Stakes Rising for Security Officials

15. The human price Mexico has paid has been high: over 2007, almost 250 police and military officials have been killed. Mexican political leaders are not shy about reminding us that U.S. demand for drugs, money laundering, and illegal arms flows from our side of the border help fuel Mexico's drug war.

Human Rights Issues

16. Members of the political opposition and human rights groups have expressed concern about the continued use of the military for internal security and the potentially corrupting influence this fight poses to the institution. The National Human Rights Commission (CNDH) has investigated and reported on several incidents.

17. To date, the Secretariat of Defense has shown a willingness to deal with abuses committed by soldiers, including investigating individuals accused of violations in the state of Michoacan and prosecuting soldiers who killed a family at a roadblock in the state of Sinaloa. In October 2007, eight soldiers were tried on charges relating to the beating of 7 policemen and the rape of some 14 women. Four of the soldiers were acquitted; the other four were convicted and sentenced up to 41 years, marking the first time troops have been tried and convicted in civilian courts. Outstanding allegations against members of a variety of federal, state and local security elements remain unresolved and under investigation.

Other Security Challenges

18. EPR attacks on Pemex pipelines in July and early September have added another dimension to Mexico's security concerns, raising the specter of home-grown terrorism. Calderon also recognizes that Mexico's own southern border remains extremely vulnerable to immigration, trafficking in persons, and the smuggling of contraband, and that securing this border is of vital importance to U.S. security. Mexico faces a variety of security challenges —both mature and incipient.

Justice Reform

19. The Mexican Senate passed judicial reform legislation in December that would facilitate transition to an oral trial system, give law enforcement officials broader search and seizure authority,

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allow consensual monitoring of telephone calls, and give police more responsibility for conducting investigations. Since the Senate modified several articles of the draft prior approved by the House of Deputies, the Senate version will return to the House for consideration in February. Several leftist parties and human rights activists described the legislation as a "step backwards," giving the State excessive authorities at the expense of the accused. Many jurists, however, believe effective implementation of the legislation will make the Mexican system work more transparently, expeditiously, and fairly.

Privileges and Immunities

110. The Embassy sent a diplomatic note to SRE in early 2007 requesting that all DEA agents be afforded protections equivalent to those of Internationally Protected Persons (IPPs). In both Mexican and U.S. interpretations that implies administrative and technical status under the Vienna Convention on diplomatic Relations. SRE replied by asking how many law enforcement officers needed IPP-equivalent protections. State/L undertook a lengthy review which indicated that many law enforcement -- not just DEA -- might not have the necessary diplomatic protections. We so informed SRE, and requested follow-up conversations to determine specifically what the existing protections are for law enforcement officials, especially those assigned to US consulates in Mexico, and whether they too could be afforded IPP-equivalent protections. We await SRE's reply to this matter.

Visa Revocations

111. In 2007, Embassy Mexico processed 111 visa revocations for persons involved in narcotrafficking, their families or those involved in drug-related activities. Our Consular Section worked together with DEA and ICE among other Mission agencies to develop the information in these cases.

Economy

112. The Calderon administration has registered some impressive economic accomplishments during its first year -- maintaining macroeconomic stability, keeping inflation at a reasonable 4%, and lowering barriers to trade. The president secured quick congressional approval of the 2007 and 2008 budgets, and won passage of an unpopular but necessary government workers' social security reform. His effort to reform Mexico's tax system paid off on September 14 when Congress approved a tax reform that will boost government revenues by 2.1% of GDP by 2012. Much remains to be done, however, to arrest Mexico's slipping global competitiveness. The GOM's challenge is to implement structural reforms required for growth sufficient to raise 40% of Mexicans out of poverty.

President Facing Difficult Political Environment

- 113. Having completed his first year in office, Felipe Calderon has crafted an image as an activist president, consolidating his own political position and the power of the Mexican state -- no small feat given tensions surrounding the 2006 elections and the law enforcement challenges the country faces. The president faces a difficult political environment here, with an active and vocal opposition challenging him regularly.
- 114. Prosperity ranks with security as the key priority in the minds of most Mexicans. If his programs and policies prove unsuccessful in generating the kind of growth necessary to create sufficient jobs and reduce poverty, Calderon could quickly find himself vulnerable to a reinvigorated political opposition. All three of the main political parties have their eyes on bellwether 2009 congressional elections.

U.S.- Mexico Relations

115. The Calderon government has demonstrated pragmatism in its posture toward the United States and bilateral cooperation, particularly in law enforcement, has never been stronger. However, the failure of immigration reform in the United States was a political setback for the president. The result is that he enjoys less political space in which to openly cooperate with the U.S. on issues of mutual bilateral importance.

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